



# LITTLE RED RIVER CREE NATION

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February 13, 2021

## Letter to our Members

Since our Council has been elected, we have worked hard to return harmony to our communities and bring LRRCN governance back in alignment with our traditional values and teachings.

It has not been an easy task. There are those in our community who appear to still value the colonial approach of “divide and conquer”. In contrast, this Council’s focus is to conduct business on the basis of the Community Action Plan meetings and carry out the mandates the Members have given us. Also, our Council strives to consistently make decisions that are consensus based and to work in cooperation with each other.

Normally, we would bring Members together to discuss these issues and work towards greater understanding and consensus as a group. However, in these times with COVID- 19 we must also work to protect our Elders, youth and each other from risk of exposure.

One topic Council has decided to address directly is the misinformation being spread on social media by Gus Loonskin. In our first letter to you, we wish to remind everyone of the losses Mr. Loonskin’s past actions have caused for the Nation so that you can put the information he is publishing in context. We have estimated that Mr. Loonskin’s past actions have caused **over Three Million Dollars** in financial losses to the nation and its companies.

In the coming weeks, we will also respond to the misinformation about the Sovereign Wealth Fund and our Group of Companies. We also suggest Members read the Winter 2020 Community Newsletter (posted on the LRRCN website) as it includes updates on the Sovereign Wealth Fund and the Group.

DATE	EVENT	COST TO NATION
May 2015	LRRCN Election- Gus Loonskin elected Chief	
Spring 2016	Gus Loonskin stops regularly attending Council Meetings.  Gus Loonskin fails to attend a single Council meeting in 2017 or January-April 2018.	The Nation paid Mr. Loonskin well over \$200,000.00 for salary and expense claims over the time period when he was not actually attending Council meetings.



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	<p>Despite not attending and refusing to conduct Council business with the quorum of Council, Mr. Loonskin continued to draw his full Council salary and claim expenses and travel for Council meetings.</p>	
<p>May 2016</p>	<p>Gus Loonskin hires lawyers to remove the Board of Directors of Little Red River Forestry Ltd. – in breach of the terms of the LRRF Shareholder Trust Agreement he signed.</p>	<ul style="list-style-type: none"> <li>• LRRF incurred unnecessary legal fees to restore the Directors to the Board and undo the unlawful removal.</li> </ul>
<p>Throughout 2016 and early 2017</p>	<p>Gus Loonskin held unauthorized meetings and negotiations on Forestry matters and interfered with business relationships.</p> <p>Mr. Loonskin withdrew over \$300,000 from the Opportunity Fund to pay to Ridgeview Mills without corporate or Council agreement or knowledge and without securing any benefit to the Nation, any Nation businesses, or the communities.</p> <p>Mr. Loonskin also used lawyers paid for by the Nation or Nation businesses for his own purposes.</p> <p>Mr. Loonskin’s activities resulted in LRRF losing at least two seasons of normal profits. LRRCN and LRRF are involved in costly litigation to try to recover the losses that resulted from Mr. Loonskin’s actions.</p>	<ul style="list-style-type: none"> <li>• Over \$300,000 loss from Opportunity Fund.</li> <li>• Estimated LRRF losses of more than \$2.5 million.</li> <li>• Legal fees to sue Mr. Loonskin and others to try to recover these losses.</li> </ul>



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<p>February 2017</p>	<p>Gus Loonskin filed a Federal Court challenge to Alfred Seesequon’s election by By-election.</p> <p>Mr. Loonskin appropriated \$10,000.00 from the LRRCN Opportunity Fund to pay lawyers hired to represent him personally in the By-Election challenge.</p>	<ul style="list-style-type: none"> <li>• \$10,000.00 loss from the Opportunity Fund.</li> <li>• Significant legal fees to sue Mr. Loonskin and others to try to recover these losses.</li> </ul>
<p>September 29, 2017</p>	<p>Gus Loonskin loses the By-election Challenge. LRRCN by-election results are upheld.</p> <p>The Federal Court found:</p> <ul style="list-style-type: none"> <li>• Mr. Loonskin lost the case because he failed to use the Nation’s Election Appeal process.</li> <li>• “Chief Loonskin has offered little in the way of evidence to support his contentions. In his affidavit, he provides only uncorroborated hearsay...”</li> <li>• Loonskin should pay the Nation \$15,000.00 in costs- in part because of the appropriation of funds from the Opportunity Fund and the weak case presented.</li> </ul>	<ul style="list-style-type: none"> <li>• Nation incurred legal expenses of approximately \$65,000.00 defending the Nation’s Election Laws in the By-election challenge.</li> </ul>
<p>2017 to Present</p>	<p>Gus Loonskin has failed or refused to make any payments for the Federal Court of Canada costs award.</p>	<ul style="list-style-type: none"> <li>• Nation has yet to receive \$15,000.00 owing from Mr. Loonskin.</li> </ul>



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<p>May 2017</p>	<p>Gus Loonskin interfered directly in Little Red River Board of Education matters, including employment relationships.</p> <p>In at least one case, Mr. Loonskin’s actions caused or contributed to a lengthy and expensive Canada Labour Board complaint process.</p> <p>Mr. Loonskin also unlawfully attempted to appoint LRRBE Board Members and did not even conduct criminal record checks on purported Board members.</p>	<ul style="list-style-type: none"> <li>• Significant legal fees incurred by the LRRBE and the Nation to defend the Canada Labour Board complaints.</li> <li>• LRRBE operations and the Fox Lake school were significantly disrupted by Mr. Loonskin’s actions.</li> </ul>
<p>Fall 2017</p>	<p>On numerous occasions, Gus Loonskin sent unauthorized members to Treaty 8 Chief’s meetings as his “proxy” to represent LRRCN and vote on his behalf.</p> <p>These individuals were not elected to represent LRRCN or even as LRRCN employees. Mr. Loonskin failed to advise LRRCN Council in advance this was occurring.</p>	<ul style="list-style-type: none"> <li>• A significant loss of credibility for LRRCN at the Treaty 8 Chief’s table.</li> </ul>
<p>November 24, 2017</p>	<p>Mr. Loonskin signed a Wood Purchase Agreement with Tolko at a price lower than the LRRCN Members directed Forestry to accept-acted directly contrary to Members wishes.</p>	<ul style="list-style-type: none"> <li>• Negatively affected the reputations, and ability to do business, of both LRRCN and LRRF.</li> <li>• Contributed to LRRF’s \$2.5 million in losses.</li> </ul>



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<p>Throughout 2017</p>	<p>Gus Loonskin contacted and even met with members of Canada's Specific Claims negotiation team without the knowledge or support of the quorum of Council or LRRCN's Specific Claims negotiation team. His actions included:</p> <ul style="list-style-type: none"> <li>- Summer 2017- requesting an extension of time for acceptance of the offer LRRCN did not want or need.</li> <li>- November 6, 2017 – meeting with Canada's negotiator and not sharing the information he obtained.</li> <li>- Suggesting to Canada that Council could not make decisions without his approval as Chief.</li> </ul>	<ul style="list-style-type: none"> <li>• Mr. Loonskin's actions could have seriously delayed the Specific Claims process and could have led Canada to refuse to accept the Council Certificate that was needed to finalize the settlement.</li> <li>• These actions put the entire Specific Claim settlement in jeopardy and could have cost LRRCN over \$230 Million if the attempts to interfere with the process had succeeded.</li> </ul>
<p><b>TOTAL KNOWN LOSSES TO NATION CAUSED BY GUS LOONSKIN</b></p>		<ul style="list-style-type: none"> <li>• <b>THREE MILLION and NINETY THOUSAND DOLLARS</b></li> </ul> <p><b>(\$3,090,000.00)</b></p>
<p><b>POTENTIAL LOSSES HAD COUNCIL NOT INTERVENED</b></p>		<p><b>Over \$230 Million for the Specific Claim Settlement.</b></p>